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UNITED STATES PATENT AND TRADEMARK OFFICE

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Trademark Trial and Appeal Board

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Doyna, Ltd.

v.

Doyna Michigan Co.
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Cancellation No. 92033012
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Thomas S. Keaty and Bella I. Safro of Keaty Professional Law Corporation for Doyna, Ltd.

Doyna Michigan Co., pro se.¹
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Before Seeherman, Chapman and Walsh, Administrative Trademark Judges.

Opinion by Chapman, Administrative Trademark Judge:

Doyna, Ltd. (a New York limited liability company) has filed a petition to cancel a registration issued on the Principal Register to Doyna Michigan Co. (a Michigan

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¹ On December 18, 2003, respondent filed a letter to the Board interpreted by the Board (in an order dated April 6, 2004, p. 2) as a motion to extend dates. In the letter respondent's president, Alexander Kaytser, stated that "the attorney that we have retained for this matter is unable to attend the proceedings due to other obligations." To be clear, no attorney has ever entered an appearance on respondent's behalf in this cancellation proceeding.

corporation) for the mark ZHIGULY for "beer" in International Class 32.²

Petitioner alleges, inter alia, that it "is now and has been for the last several years engaged in the business of importing and selling alcoholic and non-alcoholic beverages, including beer 'Zhigulevskojo' (Zhigulevskoye) or 'Zhiguli' for short" (paragraph 1); that petitioner "has been importing 'Zhiguli' beer from Russia, particularly 'Zhiguli' beer manufactured by Brewery Hamovniki (Khamovniki), Moscow, Russia" (paragraph 2); that 'Zhigulevskoye' beer is named for its place of origin, the town of Zhiguli in the Samara region of Russia; that 'Zhiguli' or 'Zhiguly' is a well-known mountain range along the Volga river, in Russia, and it is also the name of a region which includes the mountain range and a national park; that "the term 'Zhiguli' is a well-known geographic place" and it is a "well-known geographic place in Russia where beer is manufactured" (paragraphs 8-9); that "the term 'Zhiguli' has long been associated with Russian beer in the minds of the U.S. public" and "the term is recognized as a geographic term and as a term for Russian beer by distributors of alcoholic beverages in this country" (paragraph 16); that "purchasers of [respondent's] products would reasonably identify or

² Registration No. 2549428 issued March 19, 2002, from an application filed August 25, 2000, based on a claimed date of first use and first use in commerce of August 1, 2000.

associate the goods sold under the mark 'Zhiguli' [sic -- 'Zhiguly'] with the geographic location contained in the mark" (paragraph 23); that respondent imports and sells beer manufactured in a brewery in Lithuania; and that respondent (through an attorney) sent a letter to petitioner demanding that petitioner cease its use of the mark ZHIGULI for beer based on respondent's asserted rights in the mark ZHIGULY.

Based on these allegations, petitioner alleges that (i) respondent obtained its registration of a geographic term for its beer products contrary to the provisions of Section 2(e)(2) of the Trademark Act, 15 U.S.C. §1052(e)(2); or (ii) alternatively, the mark ZHIGULY, in relation to respondent's goods, is primarily geographically deceptively misdescriptive contrary to the provisions of Section 2(e)(3) of the Trademark Act, 15 U.S.C. §1052(e)(3); or (iii) alternatively, respondent obtained registration of a deceptive term contrary to the provisions of Section 2(a) of the Trademark Act, 15 U.S.C. §1052(a), because respondent imports and sells beer made in Lithuania under a mark which identifies a place in Russia.

In its answer respondent admits the following paragraphs of the petition to cancel:

"Petitioner has been importing 'Zhiguli' beer from Russia, particularly 'Zhiguli' beer manufactured by Brewery Hamovniki (Khamovniki), Moscow, Russia" and there is a reference to petitioner's beer label, Exhibit No. 1 (paragraph 2);

"Registrant applied for a trademark registration for 'Zhiguly' in International Class 32 on August 25, 2000, alleging the date of first use in interstate commerce of August 1, 2000. On March 25, 2002, the mark was registered on the Principal Register for beer" (paragraph 17);

"...Registrant imports and sells beer manufactured by Gubernija Brewery in the city of Shaulay, Lithuania" and there is a reference to respondent's beer label, Exhibit No. 24 (paragraph 18); and

"On May 24, 2002, Registrant, through its attorneys..., sent a letter to [petitioner], demanding that Petitioner cease and desist using the term 'Zhiguli'..." and there is a reference to a copy of the letter, Exhibit No. 25 (paragraph 24).

Respondent otherwise denies the salient allegations of the petition to cancel.

The Record

The record includes the pleadings, and particularly, the paragraphs admitted by respondent, including the exhibits mentioned therein -- copies of petitioner's beer label, respondent's beer label and respondent's cease and desist letter to petitioner (Exhibit Nos. 1, 24 and 25);³ and the file of respondent's registration as provided in

³ With one exception not relevant herein, exhibits to pleadings are not evidence of record in the case unless properly identified and introduced during testimony. See Trademark Rule 2.122(c). See also, TBMP §317 (2d ed. rev. 2004). However, the exhibits noted above (Nos. 1, 24 and 25) are of record because respondent admitted those paragraphs of the petition to cancel. In addition, we note that some of the exhibits to petitioner's

Trademark Rule 2.122(b)(1) and (2). Petitioner submitted the deposition transcript, with exhibits, of the testimony of its president and owner, Yakov Bromberg.⁴

Petitioner also submitted a notice of reliance on 17 listed items, some of which are admissible evidence and some of which are not. Petitioner noted in its brief (p. 8) that respondent "did not challenge Petitioner's evidence..." However, the adverse party is not necessarily obligated to object to evidence not submitted in accordance with the rules. A party waives its right to object only on certain matters (generally those relating to curable procedural matters). As the Board stated in *Original Appalachian Artworks Inc. v. Streeter*, 3 USPQ2d 1717, footnote 3 (TTAB 1987): "[A party] may not reasonably presume evidence is of record when that evidence was not offered in accordance with the Trademark Rules." See also, TBMP §§707.02(a) and 707.04 (2d ed. rev. 2004). In the circumstances of the case now before us, we find that respondent has not waived its objections to petitioner's involved materials. We now determine and explain seriatim the admissibility of petitioner's 17 noticed items.

Item Nos. 1-5 are copies of (i) a page from an Oxford Press map of the Volga Basin, (ii) a page from an MSN map of

pleading were later properly submitted as items in petitioner's notice of reliance, which is fully discussed later herein.

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the Samara region, (iii) a page from The Columbia Gazetteer of the World (1998), (iv) a few excerpted pages from a study on "Alcohol in the USSR" (1982) published by Duke (University) Press, and (v) a few excerpted pages from The World Guide To Beer (1977). These are all printed publications properly made of record by way of notice of reliance pursuant to Trademark Rule 2.122(e).

Item No. 6 is a copy of petitioner's requests for admissions to respondent which have been deemed admitted under Fed. R. Civ. P. 36(a) as they were unanswered by respondent.⁵ This material is admissible under a notice of reliance pursuant to Trademark Rule 2.120(j)(3)(i).

Item Nos. 7-13 are photocopies of pages from Internet websites (some in English and some in Russian with a translation into English attached). As Internet materials are transitory in nature, they are not self-authenticating and therefore are not admissible under Trademark Rule 2.122(e) as printed publications. See *Raccioppi v. Apogee Inc.*, 47 USPQ2d 1368, 1370 (TTAB 1998). See also, TBMP §704.08 (2d ed. rev. 2004). Attached to the notice of reliance is the affidavit of Bella I. Safro, one of petitioner's attorneys, averring to information regarding

⁴ Respondent did not attend petitioner's deposition of Mr. Bromberg.

⁵ In addition, the Board noted in an order dated April 6, 2004 that petitioner's requests for admission were deemed admitted by operation of Rule 36(a).

the translations from Russian to English and the sources of the Internet printouts. However, the affidavit testimony of a witness is not admissible unless the parties have agreed thereto in writing pursuant to Trademark Rule 2.123(b). There is no such stipulation of the parties herein. Thus, none of the Internet evidence is admissible and cannot be considered.

Item No. 14 consists of photocopies of one-page letters from four U.S. distributors of alcoholic beverages (in California, Georgia and New York). These letters are not printed publications under Trademark Rule 2.122(e), and there is nothing in the record to indicate that respondent stipulated to the entry of such evidence. These four letters cannot be considered.

Item No. 15, the affidavit of a Russian-born person now living in Tennessee, is inadmissible for the reason explained above regarding Trademark Rule 2.123(b).

Item No. 16, a photocopy of respondent's beer label, is already of record as Exhibit No. 24 to petitioner's pleading, because it was admitted by respondent in its answer.

Item No. 17 is a copy of a letter sent by respondent to the Board during the prosecution of this cancellation proceeding. This is neither a printed publication nor an

official record under Trademark Rule 2.122(e). It cannot be considered herein.

In sum, Item Nos. 1-6, and 16 from petitioner's notice of reliance are properly of record and have been considered in reaching our decision. Item Nos. 7-15 and 17 are not properly of record and have not been considered by the Board. Of course, all evidence of record is considered only for whatever appropriate probative value it may have.

Only petitioner filed a brief on the case after trial, and neither party requested an oral hearing.

The Parties

Petitioner, Doyna Ltd., located in Brooklyn, New York, was founded in 1997 and is an importer of wine, beer and spirits from eastern European countries. Petitioner has been importing ZHIGULI beer, from Moscow, Russia, for over three years.

The information of record regarding respondent comes from its registration file; from its admissions in its answer to the petition to cancel; and from its deemed admitted answers to petitioner's requests for admission (the latter item having been made of record by petitioner).

Respondent, Doyna Michigan Co., is a Michigan corporation located in Farmington Hills, Michigan. Respondent imports and sells beer manufactured by a brewery in Shaulay, Lithuania. Respondent first used the mark ZHIGULY for beer

on August 1, 2000. In May 2002, respondent sent a cease and desist letter to petitioner regarding petitioner's use of the mark ZHIGULI for beer.

Burden of Proof

In Board proceedings regarding the registrability of marks, our primary reviewing Court has held that the plaintiff must establish its pleaded case, as well as its standing, and must generally do so by a preponderance of the evidence. See *Cunningham v. Laser Golf Corp.*, 222 F.3d 943, 55 USPQ2d 1842, 1848 (Fed. Cir. 2000); and *Cerveceria Centroamericana, S.A. v. Cerveceria India Inc.*, 892 F.2d 1021, 13 USPQ2d 1307, 1309 (Fed. Cir. 1989).

Standing

Standing requires only that a party seeking cancellation of a registration have a good faith belief that it is likely to be damaged by the registration. See Section 14 of the Trademark Act, 15 U.S.C. §1064. See also, 3 J. Thomas McCarthy, McCarthy on Trademarks and Unfair Competition, §20:46 (4th ed. 2005). The belief in damage can be shown by establishing a direct commercial interest.

Petitioner uses the mark ZHIGULI for beer, and respondent demanded that petitioner cease such use in a May 2002 letter from an attorney for respondent to petitioner. These facts establish petitioner's direct commercial

interest and its standing to petition to cancel. See *Cunningham v. Laser Golf Corp.*, supra.

Pleaded Grounds

Petitioner has pleaded three grounds for cancellation -
- Section 2(a) deceptive, 15 U.S.C. §1052(a), Section 2(e)(2) primarily geographically descriptive, 15 U.S.C. §1052(e)(2), and Section 2(e)(3) primarily geographically deceptively misdescriptive, 15 U.S.C. §1052(e)(3).

We begin with a discussion of the relevant changes to the Trademark Act as a result of the North American Free Trade Agreement (NAFTA) Implementation Act, Pub. L. No. 103-182, 107 Stat. 2057 (1993), and the comments of our primary reviewing Court, the Court of Appeals for the Federal Circuit, in relation thereto.

NAFTA amended Section 2(e)(2) of the Trademark Act by deleting reference to primarily geographically deceptively misdescriptive marks; adding Section 2(e)(3) to the Trademark Act to prohibit registration of primarily geographically deceptively misdescriptive marks; and amending Section 2(f) of the Trademark Act to eliminate primarily geographically deceptively misdescriptive marks from becoming registrable via a showing of acquired distinctiveness.

The Court in *In re California Innovations, Inc.*, 329 F.3d 1334, 66 USPQ2d 1853 (Fed. Cir. 2003), concluded that

the standard for determining whether a mark is primarily geographically deceptively misdescriptive under the new Section 2(e)(3) of the Act is different from, and more rigorous than, the standard for determining registrability of the same types of marks under Section 2(e)(2) of the Act prior to the NAFTA amendment. The Court stated the following (66 USPQ2d at 1856-1857, and 1858):

NAFTA and its implementing legislation obliterated the distinction between geographically deceptive marks and primarily geographically deceptively misdescriptive marks.

...

Thus, §1052 no longer treats geographically deceptively misdescriptive marks differently from geographically deceptive marks. Like geographically deceptive marks, the analysis for primarily geographically deceptively misdescriptive marks under §1052(e)(3) focuses on deception of, or fraud on, the consumer. ... Accordingly, the test for rejecting a deceptively misdescriptive mark is no longer simple lack of distinctiveness, but the higher showing of deceptiveness.

...

The amended Lanham Act gives geographically deceptively misdescriptive marks the same treatment as geographically deceptive marks under §1052(a).

...

As a result of the NAFTA changes to the Lanham Act, geographic deception is specifically dealt with in subsection (e)(3), while deception in general continues to be addressed under subsection (a). Consequently this court anticipates that the PTO will usually address geographically deceptive marks under subsection (e)(3) of the amended Lanham Act rather than subsection (a). While there are identical legal standards for deception in each section, subsection (e)(3) specifically involves deception involving geographic marks.

In view thereof, we will give no further consideration to petitioner's Section 2(a) claim, but will turn to an analysis of the Section 2(e)(3) ground.

The Court in California Innovations articulated the following standard for determining whether a mark is primarily geographically deceptively misdescriptive, Id. at 66 USPQ2d at 1858:

(1) the primary significance of the mark is a generally known geographic location, (2) the consuming public is likely to believe the place identified by the mark indicates the origin of the goods bearing the mark, when in fact the goods do not come from that place, and (3) the misrepresentation was a material factor in the consumer's decision.

See also, *In re Save Venice New York Inc.*, 259 F.3d 1346, 59 USPQ2d 1778 (Fed. Cir. 2001).

With regard to the first prong of the test for whether a term is primarily geographically deceptively misdescriptive, "the primary significance of the mark is a generally known geographic location," petitioner's evidence clearly shows that Zhiguly (also spelled Zhiguli)⁶ is a geographic place in Russia and is primarily known as that geographic location. Zhiguly is the name of an area in Russia on the Volga River, as well as a town in Russia, a mountain range and a national park, all in the Zhiguly region. This area is known for its natural beauty and it is

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referred to as "the pearl of Russia." (Bromberg dep., pp. 11-13; and notice of reliance item Nos. 1-3.) Respondent

⁶ The word is sometimes spelled ending with an "i" and sometimes ending with a "y." The difference appears to be a difference in transliteration from the Russian alphabet.

admits that ZHIGULY is the name of a geographic region in the Volga region of Russia; and that both the city of Zhiguly and the Zhiguly National Preserve are located in Russia.

On this record, Zhiguly, Russia is not an obscure place. It is not a small region, and there are numerous geographic places named Zhiguly in the region, including a town, a mountain range and a national preserve. The first prong of the test has been met. Cf., *In re Societe Generale des Eaux Minerales de Vittel S.A.*, 824 F.2d 957, 3 USPQ2d 1450 (Fed. Cir. 1987); *In re Bavaria St. Pauli Brauerei AG*, 222 USPQ 926 (TTAB 1984); and *In re Brauerei Aying Franz Inselkammer KG*, 217 USPQ 73 (TTAB 1983).

Turning to whether "the consuming public is likely to believe the place identified by the mark indicates the origin of the goods bearing the mark, when in fact the goods do not come from that place," we find that petitioner has established this prong of the test. Beer has been produced in the Zhiguly region of Russia for over 40 years; and the Zhiguly region along the Volga River is associated with beer. "Zhiguly, or Zhigulyovskoye, it's a short name for regional place of production." (Bromberg dep., p. 12.)⁷

"The Zhiguly represent basically the traditional beer

⁷ Mr. Bromberg grew up in the Soviet Union/Russia, and it is apparent from his testimony that his English grammar is not perfect.

production [in] former Soviet Union and Russia. And it's connected to certain place in Volga region -- Zhiguly."

(Bromberg dep., p. 13.) Petitioner imports ZHIGULI beer for its "community" of Russian-speaking customers, and this community numbers about seven and one-half million people.

(Bromberg dep., p. 14.)

The 1982 study "Alcohol in the USSR" published by Duke (University) Press, includes the following statements (pp. 16 and 24):

The popular Zhiguli beer containing 2.8 percent alcohol composed some 90 percent of all beer produced in 1956 ... and its dominance has probably remained.

There are eight to ten brands of beer sold in the USSR, but Zhiguli beer constituted about 90 percent of all beer sold in this period. ...

The average price of Zhiguli beer rose from 0.45 rubles in 1954 to 0.47 in 1978.

Further, The World Guide To Beer (p. 197) states: "The range includes Russia's everyday beer-brand, the light ... 'Zhiguli,' which is named after the region where the barley is grown. In the brewing of 'Zhiguli,' unmalted barley and corn-flour are used as adjuncts."

While we do not take these statements in the two publications for the truth of the matter asserted, they provide additional evidence as to the perception of the relevant consumers, the Russian-speaking community in the United States. See also, Mr. Bromberg's testimony relating to learning about Zhiguly, Russia and "Zhiguly" beer from

the time of his childhood in Russia. (Bromberg dep., p. 12.)

There is no question that respondent's beer does not come from Zhiguly, Russia or the Zhiguly region of Russia. Respondent has admitted that the beer it imports and sells under the mark ZHIGULY is produced in a brewery in Lithuania. See petitioner's notice of reliance Item No. 6 (petitioner's requests for admission, request No. 6).

As to the third prong of the test, "the misrepresentation was a material factor in the consumer's decision," the record establishes that Zhiguly, Russia is known for its beer and that the relevant public in the United States is aware of that connection. According to the record, there are seven and one-half million people in the Russian-speaking community in the United States who would purchase this beer specifically because of the geographic connotation (Bromberg dep., pp. 14 and 17). This is not an insignificant number of purchasers. That is, for at least this number of consumers the term "Zhiguly," and the belief that the beer comes from the Zhiguly region, is material to their decision to buy the product.

Accordingly, we find that petitioner has established, by a preponderance of evidence, that respondent's registered mark ZHIGULY is primarily geographically deceptively

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misdescriptive in relation to respondent's beer not made in the Zhiguly region of Russia.

We have held herein that the term ZHIGULY is primarily geographically deceptively misdescriptive for beer not made in the Zhiguly region of Russia. Because respondent's beer does not come from the place named, the term cannot be primarily geographically descriptive under Section 2(e)(2) in relation to respondent's goods.

Decision: The petition to cancel is granted only on the ground of geographically deceptive misdescriptiveness, and Registration No. 2549428 will be cancelled in due course.